

***Remarks***

Upon entry of the foregoing amendment, claims 1, 3, 4, 6-18, 25, and 28-38 are pending in the application, with 1, 25, and 28 being the independent claims. Claims 2 and 5 have been cancelled by the present amendments. Claims 19-24 and 26-27 were previously cancelled without prejudice to or disclaimer of the subject matter therein. These changes are believed to introduce no new matter, and their entry is respectfully requested.

***Rejection Under 35 U.S.C. §112***

Claim 4 was rejected under 35 U.S.C. §112, first paragraph, as allegedly failing to comply with the enablement requirement. See page 2 of the Office Action.

Claim 4 has been amended as follows:

*4: Apparatus according to claim 1, wherein the controller alternates between a mode wherein the accumulated value increments upwardly toward the current prize value, and a mode wherein the accumulated value increments downwardly toward the current prize value.*

This amendment overcomes any concerns arising from the use of “prize value” and “current prize value” language, while defining similar functionalities at a practical level. That is, the intention in both cases is to define a scenario where, for example, the controller alternates between a progressive and regressive mode.

Claim 4 was also rejected under 35 U.S.C. §112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. See page 3 of the Office Action.

It is believed that the foregoing amendments to claim 4 overcome this ground of rejection. Reconsideration and withdrawal of the rejections of claim 4 under 35 U.S.C. §112, first and second paragraphs, are respectfully requested.

***Rejection Under 35 U.S.C. § 102***

Claims 1, 3, 6, 7-18, 25, 28-32, 34 and 38 was rejected under 35 U.S.C. § 102(b) as allegedly being anticipated by Olsen (U.S. Patent No. 6,110,043). This rejection is traversed.

As a starting point, it is important to understand the difference between progressive and regressive modes, as put forward by the present application:

- In the case of a progressive mode, a value (referred to in the claims as an accumulated value) continues to increase under the influence of linked gaming machine activity until a jackpot prize is awarded. That is, players observe a value continuing to increase until a prize is awarded. These are fairly common in the art.
- In the case of a regressive mode, a value continues to decrease under the influence of linked gaming machine activity until a prize is awarded. That is, players observe a value continuing to decrease until a prize is awarded.

In overview, the independent claims (1, 25 and 28) have been amended to include features relating to dual progressive/regressive modes. The Examiner in effect acknowledges that such functionality is not taught in Olsen, based on comments provided in relation to claim 4.

In terms of amendments, independent claims 1, 25 and 28 have been amended to include features relating to dual progressive/regressive modes. These features are as follows:

- **Claim 1:** *“wherein the controller is additionally configured to, following determination that the current prize value is to be awarded, reset the accumulated value to one or other of the upper prize value or the lower prize value, such that on at least one occasion the controller resets the accumulated value to the upper prize value and on at least one other occasion the controller resets the accumulated value to the lower prize value”.*

That is, there is a progressive mode where an award increases from the lower prize value until won, and a regressive mode wherein an award decreases from the upper prize value until won.

- **Claim 25:** “wherein on one occasion the accumulated value increments upwardly toward the current prize value, and on another occasion the accumulated value increments downwardly toward the current prize value”.

That is, there is a progressive mode where an award increases until won, and a regressive mode wherein an award decreases until won.

- **Claim 28:** “wherein on one occasion the accumulated value increments upwardly toward the threshold, and on another occasion the accumulated value increments downwardly toward the threshold”.

That is, there is a progressive mode where an award increases until won, and a regressive mode wherein an award decreases until won.

As noted above, Olsen does not teach or suggest the progressive *and* regressive modes. Therefore the rejection of claims 1, 3, 6, 7-18, 25, 28-32, 34 and 38 under 35 U.S.C. §102(b) over Olson cannot be sustained.

***Rejection Under 35 U.S.C. § 103(a)***

***Claims 4, 6, 33, and 37***

Claims 4, 6, 33 and 37 were rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over Olsen in view of Marks et al. (U.S. Publication No. 2003/0236116 A1). This rejection is traversed.

The Examiner, in rejecting claim 4, suggests that dual progressive/regressive modes are obvious based on the combination of Olsen and Marks. The Examiner’s comments pertaining to dual progressive/regressive modes are based primarily on Marks at [0086], which the Examiner contends teaches the ability to either increase or decrease a progressive

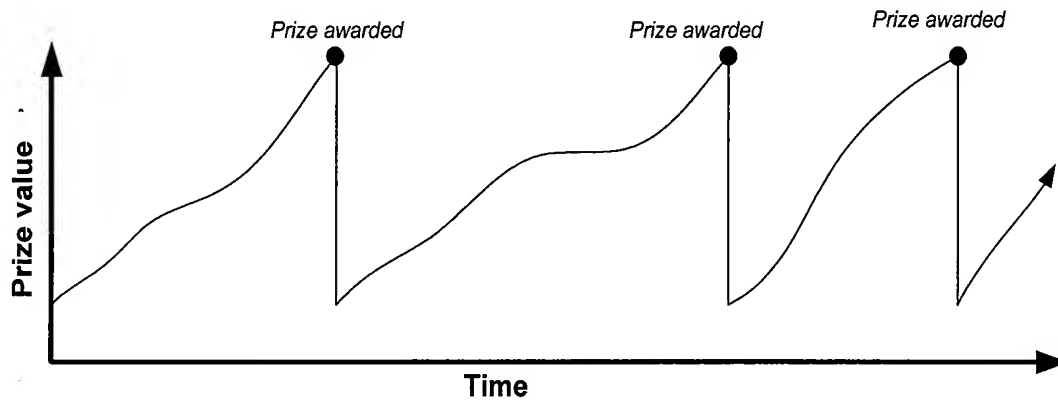
award. However, this portion of Marks does not deal with the decreasing of a progressive award in the context of a regressive mode (i.e. an award amount that decreases until won). Rather, Marks teaches the decreasing of a progressive award only in the context of that award being reset after being won. The relevant portion of Marks is provided below:

*[0084] The progressive award value increases at a rate of  $X\%$  (i.e.  $X$  is any positive fraction or integer) of the total value of each bet placed on any of the linked machines.*

*[0085] The progressive award decreases to a predetermined value (and then starts increasing again) each time the progressive issues.*

*[0086] Alternatively, the progressive award may be increase [sic] or decrease [sic] based on any other acceptable method.*

In this regard, Marks at [0084] teaches a progressive award that increases in a certain way, and then at [0085] teaches that the award decreases after it is won to a predetermined value, before increasing again. This is shown schematically in the following diagram.



**Marks-type Progressive Awards**

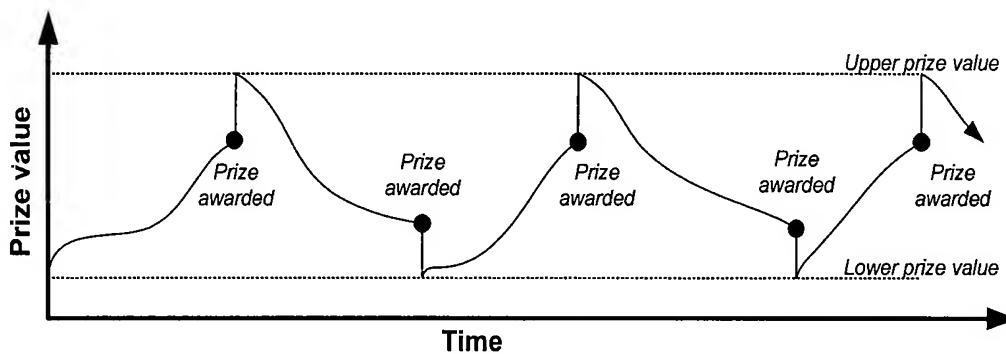
In summary, the progressive award increases until a prize is won, decreases to a predetermined value, and then starts increasing again until a prize is won, at which point the award again decreases to the predetermined value, and the process repeats.

The comment at [0086] notes that the progressive award may increase or decrease based on any other acceptable method. Taking this in the context of the preceding comments, Marks teaches that:

- The progressive award increases until it is awarded, and may increase other than at a rate of X% of the total value of each bet placed on any of the linked machines. Applicants acknowledge that there are a range of acceptable methods for causing a progressive award to increase.
- The progressive award decreases each time the progressive award is awarded, and the manner of that decrease may be other than simply a decrease to a predetermined value.

What Marks fails to teach at any stage is that the progressive award could potentially decrease until it is awarded. That is, Marks does not at any stage teach the possibility of a regressive mode.

The present claims define dual progressive/regressive modes, a non-limiting example of which is shown in the following diagram:



**Claim 1 Process**

It will be appreciated that this diagram could also show an example of the methods of claims 25 and 28, although those claims do not recite the features of resetting to the upper or lower prize values on each occasion. In summary, the progressive award increases until won, then resets to the upper prize value. It then decreases until won, and resets to the lower prize value. The process subsequently repeats.

An important distinction is that the progressive award on some occasions increases until it is won, and on other occasions decreases until it is won. This is very different from the disclosure of Marks, which is solely concerned with the possibility of a progressive award increasing until it is won, then decreasing back to a point from which it again increases until a prize is won.

On the basis that Marks fail to suggest the possibility of a regressive mode, Applicants respectfully submit that the combination of Olsen and Marks does not render any of the independent claims obvious.

Applicants note the Examiner's comment that:

*...prizes that oscillate from towards a maximum and then reverse towards the minimum are well known in the art...* (Office Action, p. 11).

Applicants strongly disagree with this statement, to the extent that is it understood to suggest that regressive modes are well known in the art. None of the references cited by the Examiner suggests such regressive modes; these are considered by Applicants to be counterintuitive in the context of a market that is focused on progressive awards. The very concepts underlying progressive award accumulation traditionally rely on signals indicative of activity at linked machines being processed thereby to assess a rate and/or degree of jackpot increase. The opposite (i.e. decrease in jackpot based on accumulation of contribution from gaming machines) requires an altogether different view of the operational environment.

The Examiner has provided no factual support for his contention.

Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).

. . . .

It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known. MPEP 2144.03

Applicants disagree with the Examiner's allegation as expressed above (that regressive prize structures would have been well known at the time this invention was made) and request the Examiner (in accordance with MPEP 2144.03 C.) to identify specific references that teach or suggest the supposed well-known fact.

At a more general level, the present approach of using dual progressive/regressive modes is counter-intuitive in terms of affecting player activity. For example, players are known to become more enticed to play when a jackpot amount is high. In conventional scenarios, the jackpot is won when high, then resets to a low value, and players lose interest. However, using dual progressive and regressive modes, there is still a high jackpot to be won at the commencement of the regressive mode.

### ***Claim 36***

Claim 36 was rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Olsen in view of Nakatsu (U.S. Publication No. 2005/0079911 A1). This rejection is traversed.

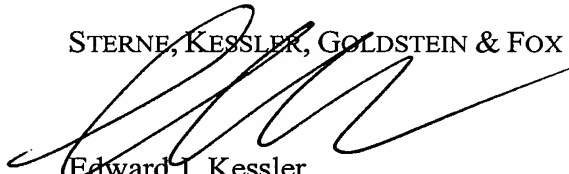
Claim 36 depends from claim 28. As discussed above, Olsen does not teach or suggest certain features of claim 28. Nakatsu adds nothing to the disclosure of Olsen to overcome the deficiencies of Olsen with respect to these features. Claim 28 is therefore patentably distinguished over the combination of Olsen and Nakatsu. Claim 36, which depends from claim 28, is also patentably distinguished over the combination of Olsen and Nakatsu for at least the same reasons, as well as in view of its own respective features.

### ***Conclusion***

Prompt and favorable consideration of this Amendment is respectfully requested. Applicants believe the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Respectfully submitted,

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